



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

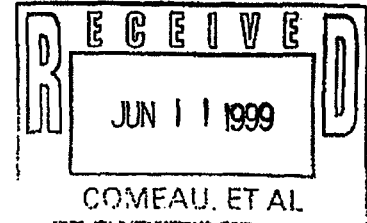
MINING AND MINERALS DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87305
(505) 827-5970

Jennifer A. Salisbury
CABINET SECRETARY

Douglas M. Bland
DIVISION DIRECTOR

May 25, 1999

Larry Bush
United Nuclear Corporation
P.O.Box 3077
Gallup, NM 87305



RE: Determination of Release of Prior Reclamation Sites, Ann Lee, John Bill, and Sandstone

Dear Mr. Bush

In accordance with New Mexico Mining Act (NMMA) § 69-36-7-U, and § 510.A of the NMMA Rules (Rules) the Mining and Minerals Division has made a decision regarding release of the above sites from further requirements of the NM Mining Act.

In order for a site to be released from further requirements of the NMMA under prior reclamation, the standards set in the NMMA Rules § 510.A must be met. The Rule states, "The director shall release the owner or operator from further requirements of the Act and of this part if, after an inspection of the reclaimed areas, he determines that the reclamation measures satisfy the requirements of the Act and the substantive requirements for reclamation pursuant to this part." The substantive requirements for reclamation in Part 5 of the Rules in part can be found in § 506.J.3. which states, "the work to be done will reclaim disturbed areas within the permit area to a condition that allows for re-establishment of a self-sustaining ecosystem on the permit area following closure, appropriate for the life zone of the surrounding area."

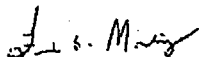
The above mentioned sites were inspected in the summer of 1995, after they had been seeded in 1994. It was clear at that time that they could not meet the release criteria after just one growing season. United Nuclear applied for a variance in order to allow more time to realize results of the reclamation efforts. A variance was granted through the end of 1998 with the condition that MMD would re-inspect the sites at the end of the growing season in 1998. All three sites were inspected with vegetative sampling conducted in October 1998 (see attached Inspection Report). A representative from UNC was present for all inspections.

The vegetative sampling conducted during these inspections were carried out in accordance with accepted sampling methodologies. In the event there are no nearby reference areas in which to compare sampling results, technical standards are often used as a benchmark by which to judge whether a site will allow for a self-sustaining

ecosystem as described in the Rules. The standard used by the Division is the NRCS Range Site Description (RSD) for the particular area in question. It is generally accepted that 75% of the average percent cover values given in the RSD is a reasonable value in which to expect that the site will allow for a self-sustaining ecosystem if those levels are reached. The attached RSD used for all three UNC sites is WP-2, Sandy. As you can see, 75% of the average percent cover value for grasses and forbs would be 13.5%. When this value was compared to the 1998 sampling results, there were two sites that appear to meet or exceed that amount, Ann Lee and Sandstone. However, as discussed in the October 98 sampling report, Ann Lee was is not recommended for release because approximately 40% of the site was occupied by a large mound which was not vegetated at all. The Sandstone site did exhibit more positive results in that not only did it exceed the RSD average percent cover value with 22% cover, but also sustained a community of 4 different grass species and 2 perennial forbs, with at least one half-shrub species. Therefore, Sandstone is hereby released from further requirements of the NMMA. The other two sites, Ann Lee and John Bill will need to be permitted by MMD and meet all requirements of the NMMA § 69-36-7-U and § 510.A of the NMMA Rules.

Your interest in meeting Prior Reclamation requirements is appreciated. If you have any questions, feel free to call Kerrie Neet, Chief, Regulatory Programs Bureau at (505) 827-5988.

Sincerely,



For

Douglas M Bland
Division Director

cc: Kerrie E. Neet, Chief
Regulatory Programs Bureau

Fernando R Martinez, Program Manager
Mining Act Reclamation Program



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Douglas M. Bland
DIVISION DIRECTOR

June 2, 1999

Larry Bush
United Nuclear Corporation
P.O. Box 3077
Gallup, NM 87305

Dear Mr. Bush:

Enclosed you'll find the Prior Reclamation Inspection Report of 1998. This should help clarify the issues you raised in our phone conversation today regarding release of United Nuclear Corporation's Prior Reclamation sites. Please excuse our inadvertent oversight in leaving it out of the last mailing to you.

Feel free to call me, at (505) 827-5982 after you receive this and we can discuss any remaining issues or questions you may have.

Sincerely,

A handwritten signature in cursive script, appearing to read "Karen W. Garcia".

Karen W. Garcia
Reclamation Specialist

Encl: 1998 Prior Reclamation Inspection Report

PRIOR RECLAMATION INSPECTION REPORT

FOR

UNITED NUCLEAR CORPORATION'S

ANN LEE

**JOHN BILL
and
SANDSTONE
MINES**

**Submitted in Partial Fulfillment of the New Mexico Mining Act
Section 69-36-7, Prior Reclamation**

**New Mexico Energy, Minerals and Natural Resources Department
Mining and Minerals Division
Mining Act Reclamation Program**

October 30, 1998